



June 19, 2018

Mr. William James
National Mining Expert
Great Lakes and Ohio River Division
U.S. Army Corps of Engineers
3701 Bell Road
Nashville, TN 37214-2660

Ms. Deanna Cummings
Senior Regulatory Project Manager
Albuquerque District
U.S. Army Corps of Engineers
4101 Jefferson Plaza NE
Albuquerque, NM 87109

**Re: Response to Borderlands Restoration Comments
Rosemont Copper Project, Clean Water Act Section 404 Permit, CoE File No.: 2008-00816-MB**

Dear Mr. James and Ms. Cummings:

The U.S. Army Corps of Engineers (Corps) transmitted a copy of unsolicited comments from Borderlands Restoration Network (Borderlands) regarding the Proposed Rosemont Copper Project (Rosemont) mitigation plan at Sonoita Creek Ranch. Rosemont and its technical consultants have reviewed the document and have the following comments.

In their letter, Borderlands specifically references a 2008 publication "Arizona Missing Linkages: Patagonia – Santa Rita Linkage Design" But fail to mention that Habitat Mitigation and Monitoring Plan (HMMP) presented by Rosemont specifically refers to this exact study and that the HMMP has been specifically designed to work with the corridor planning to enhance the work already completed.

Borderlands inaccurately describe the proposal as being for Sonoita Springs Ranch. Rosemont consistently describes the project as "Sonoita Creek Ranch", which forms the largest amount of acreage for the project. As you know, Rosemont assembled the property included in the HMMP by purchasing the following properties:

- Sonoita Creek Ranch development in its entirety - 1,129 acres,
- Sonoita Springs Ranch housing lots - 253 acres,
- Rail X Ranch – North housing lots - 155 acres and
- Rail X Ranch - South housing lots - 44 acres.

In total, Sonoita Creek Ranch includes 1,581 acres total, plus a portion of the Monkey Spring water right.

It is also apparent that while the area may have been nominated by the Arizona Department of Forestry for a Forest Legacy Award, there was little work completed to actually protect the area from development

until Rosemont acquired the land. Denial of the Rosemont 404 permit application would of course mean that the land would be again open to development.

Rosemont is very proud of the conservation efforts put forth in this area to accumulate the specific lots for conservation, which will benefit not only the waters but also the species in the area.

Borderlands then go on to quote documents previously reviewed and rebutted by Rosemont. Specifically they discuss the 2017 EPA comments on the HMMP and the review of the mitigation plan performed for Save the Scenic Santa Ritas (SSSR) by Dr. Kondolf prepared in 2017. Rosemont provided full comments in response to these documents on January 25, 2018. Their specific concerns are addressed on the following pages of the indicated documents:

EPA specifically states the project is “designed to increase the number of mitigation credits.”

See pages 24-25 of Response to Environmental Protection Agency (2017) January 24, 2018 prepared by WestLand Resources (WestLand) and Water and Earth Technologies (WET).

An independent fluvial geomorphologist and UC Berkley Professor also asserted that the proposed project “is evidently intended to maximize mitigation acreage.”

See pages 8-13 of Response to Kondolf (2017) “Review of the Sonoita Creek Mitigation Project Proposal for the Proposed Rosemont Copper Mine” January 25, 2018 prepared by WET.

This same independent report goes on to argue a high likelihood of project failure since in order to achieve this maximization of mitigation credit the Sonoita Springs Ranch project proposes a constructed channel with a significantly greater sinuosity than the existing channels.”

This assertion is also addressed in pages 8-13 of Response to Kondolf (2017) “Review of the Sonoita Creek Mitigation Project Proposal for the Proposed Rosemont Copper Mine” January 25, 2018 prepared by WET.

The EPA assessment also pointed out the unsuitability of the proposed project when it clearly states, “as presented in the HMMP, the design is not sustainable.”

See pages 5, and 22-23 of Response to Environmental Protection Agency (2017) January 24, 2018 prepared by WestLand Resources (WestLand) and Water and Earth Technologies (WET).

The main thrust of the HMMP plan involves backfilling the existing, functional and currently vegetated main channel.

See pages 25-27 of Response to Environmental Protection Agency (2017) January 24, 2018 prepared by WestLand Resources (WestLand) and Water and Earth Technologies (WET).

In addition, the HMMP does not address the negative impacts to the dozen documented Threatened and Endangered Species that are likely because of this proposed habitat mitigation project.

We understand that the Forest Service and the Corps have requested the US Fish and Wildlife review the HMMP and make a determination regarding effects to endangered and threatened species. However, the fact that the work proposed is almost exclusively in an existing agriculture field makes it unlikely that the species of concern are resident.

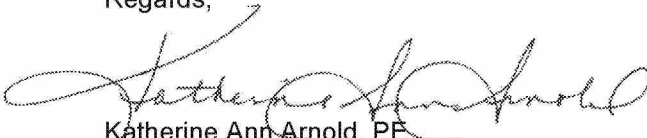
[A] Supplemental EIS is needed to address local and downstream impacts which are likely to occur with such a massive undertaking, as well as how it might affect the Threatened and Endangered species within the footprint of the proposed HMMP project.

Rosemont has worked with the Corps, the Forest Service, and the US Fish and Wildlife Service regarding the configuration, the work and the assets at Sonoita Creek Ranch. While we normally do not comment on process or procedural issues in response to technical comments, Rosemont believes that this project has received appropriate review, especially in light of the consideration that both the 2013 and the 2016 Biological and Conference Opinion included an analysis of the plan.

Rosemont is disappointed that Borderlands does not recognize the benefits of conserving Sonoita Creek Ranch and returning flows to the natural floodplain. Implementation of the HMMP will have clear benefits to this region and will advance many of the goals advocated by Borderlands, including habitat connectivity. It is evident that the true goal is not to conserve the area but to simply stop a project that will provide a once in a lifetime mitigation opportunity.

If you have questions or require further information regarding this topic, I can be reached at (520) 495-3502 or via email at kathy.arnold@hudsonbayminerals.com.

Regards,



Katherine Ann Arnold, PE
Director, Environment